"opened a new and important channel of communication", and 1971 was a year in which Sino-Canadian relations expanded and developed in many spheres.

The Canadian Embassy in Peking began operating officially in January and the Chinese mission in Ottawa was opened in February. On April 13 the exchange of ambassadors was announced: R.E. Collins, Assistant Under-Secretary of State for External Affairs, to be Canadian Ambassador to China, and Huang Hua, a senior Chinese diplomat, to be China's Ambassador to Canada. Mr. Collins presented his credentials in Peking on June 10 to Tung Pi-wu, Vice-Chairman of the People's Republic of China, and Mr. Huang Hua presented his credentials to the Acting Governor General on July 27.

Canada's first official visitor to China, after the establishment of relations and the exchange of ambassadors, was the Minister of Industry, Trade and Commerce, Mr. Pepin, who arrived in Peking with a high-level delegation of representatives of the Canadian Government and of the Canadian business community. This first Canadian mission to China (June 28 to July 4), though principally intended as a trade mission, nevertheless had considerable political significance and represented a major positive development in Sino-Canadian relations. The delegation met both Premier Chou En-lai and Vice Premier Li Hsien-Nien, as well as the Minister of Foreign Trade, Pai Hsiang-kuo. During the visit, Premier Chou En-lai stated that the Chinese Government would welcome a visit from Prime Minister Trudeau at a mutually convenient time.

In the communiqué issued at the end of this visit, China agreed that it "would continue to consider Canada first as a source of wheat as import needs arose". The Chinese authorities indicated to Mr. Pepin that additional purchases of wheat would be made before the end of this year; on September 14, China agreed to a purchase of 500,000 long tons of Canadian wheat and, on December 18, to a further purchase of three million long tons. China's Minister of Foreign Trade accepted an invitation from Mr. Pepin to visit Canada in the near future (probably some time in 1972) and it was agreed that each country should hold a trade exhibition in the other in 1972. Agreement was also reached on periodic consultations between the two countries on the development of trade and economic relations, and the Chinese indicated that they would like such consultations to be held annually. The communiqué noted that both countries recognized "that the further strengthening of trade and economic relations is an essential part of the development of Sino-Canadian relations as a whole". It concluded that the visit had "made positive contributions to the promotion of friendship between the peoples of China and Canada and the development of trade relations between the two countries".

The Leader of the Opposition, Mr. Stanfield, visited China at the end of July at the invitation of the Chinese Institute of Foreign Affairs and met with Kuo Mo-jo, Vice-Chairman of the Standing Committee of the National People's Congress, and Chi P'eng-fei, the Acting Foreign Minister.

The first annual bilateral trade consultations were held in Peking in December, and involved Canadian Government officials from Ottawa and members of the Canadian Embassy.